

Income Tax Brackets 2019

Married, joint	
\$0-\$19,400	10%
\$19,401-\$78,950	12%
\$78,951-\$168,400	22%
\$168,401-\$321,450	24%
\$321,451-\$408,200	32%
\$408,201-\$612,350	35%
Over \$612,350	37%
Single	
\$0-\$9,700	10%
\$9,701-\$39,475	12%
\$39,476-\$84,200	22%
\$84,201-\$160,725	24%
\$160,726-\$204,100	32%
\$204,101-\$510,300	35%
Over \$510,300	37%
Head of Household	
\$0-\$13,850	10%
\$13,851-\$52,850	12%
\$52,851-\$84,200	22%
\$84,201-\$160,700	24%
\$160,701-\$204,100	32%
\$204,101-\$510,300	35%
Over \$510,300	37%

Trusts	
\$0-\$2,600	10%
\$2,601-\$9,300	24%
\$9,301-\$12,750	35%
Over \$12,750	37%

Tax Rates apply to unearned income of dependents ("Kiddie Tax")

Standard Deductions

Married, joint	\$24,400
Married, separate	\$12,200
Single	\$12,200
Head of household	\$18,350
Individual Claimed as Dependent ("Kiddie Tax")	\$1,100

Threshold for Pease Limitation on Itemized Deductions

Not applicable January 1, 2018 to December 31, 2025

Personal Exemption

Suspended from January 1, 2018 to December 31, 2025

Alternative Minimum Tax Exemption Amount

Married, separate	\$55,850
Married, joint	\$111,700
Single	\$71,700

Alternative Minimum Tax Phaseout Threshold

Married, separate	\$510,300
Married, joint	\$1,020,600
Single	\$510,300

Health Savings Accounts (HSAs)

Maximum Contribution	
Single	\$3,500
Family	\$7,000
Age 55 and over annual catch-up	\$1,000

Long-term Capital Gains and Qualified Dividend Rates

Single (taxable income thresholds)	
\$0-\$39,375	0%
\$39,376-\$434,550	15%
Over \$434,550	20%
Married, joint (taxable income thresholds)	
\$0-\$78,750	0%
\$78,751-\$488,850	15%
Over \$488,850	20%

Head of Household (taxable income thresholds)	
\$0-\$52,750	0%
\$52,751-\$461,700	15%
Over \$461,700	20%

Unrecaptured Section 1250 Gain	25%
Capital Gain on Collectibles	28%

*Additional 3.8% tax applies to lesser of (a) net investment income or (b) Modified adjusted gross income exceeding:

Single	\$200,000
Married, joint	\$250,000

IRA & Pension Plan Limits

IRA contribution	
Under age 50	\$6,000
Age 50 and over (includes \$1,000 catch-up contribution)	\$7,000
Phaseout for deducting IRA contribution	
Married, joint	\$103,000-\$123,000 AGI
Single, HOH	\$64,000-\$74,000 AGI
Phaseout for deducting spousal IRA	
	\$193,000-\$203,000 AGI

Phaseout of Roth contribution eligibility	
Married, joint	\$193,000-\$203,000 MAGI
Single, HOH	\$122,000-\$137,000 MAGI

SIMPLE elective deferral	
Under age 50	\$13,000
Age 50 and over (includes \$3,000 catch-up contribution)	\$16,000

401(k), 403(b), 457 and SARSEP elective deferral under age 50	\$19,000
401(k), 403(b), 457 and SARSEP elective deferral age 50 and over (includes \$6,000 catch-up contribution)	\$25,000

Annual defined contribution limit	\$56,000
-----------------------------------	----------

Annual defined benefit limit	\$225,000
------------------------------	-----------

Gift and Estate Tax

Gift tax annual exclusion	\$15,000
Highest estate and gift tax rate	40%
Estate tax unified credit	\$11,400,000
Lifetime gift unified credit	\$11,400,000
<small>(The estate tax unified credit available at death is reduced dollar for dollar by lifetime gifts that were made during life that utilized the lifetime gift exemption.)</small>	
GST exemption	\$11,400,000
Annual exclusion for gifts to noncitizen spouse	\$155,000

Education

Coverdell Education Savings Account (This is the maximum that can be contributed to a CESA by all contributors for one beneficiary in 2019)	\$2,000
---	---------

Student loan interest deduction limit	\$2,500
Interest deduction is phased out	
Married, joint	\$140,000-\$170,000 MAGI
All others	\$70,000-\$85,000 MAGI

Social Security

Maximum earnings (during work years) subject to FICA tax	\$132,900
--	-----------

Social Security Tax	6.20%
---------------------	-------

Income (in retirement) causing Social Security benefits to be taxable	
Married, joint	
50% taxable	\$32,000 MAGI
85% taxable	\$44,000 MAGI
Single	
50% taxable	\$25,000 MAGI
85% taxable	\$34,000 MAGI

Loss of Social Security retirement benefits: In years prior to full retirement age, \$1 in benefits will be lost for every \$2 of earnings in excess of \$17,640. In the year of full retirement age, \$1 in benefits will be lost for every \$3 of earnings in excess of \$46,920 (applies only to months of earnings prior to full retirement age). There is no limit on earnings beginning the month an individual attains full retirement age.

The loss of Social Security benefits only applies if you are taking social security benefits before full retirement age.

Medicare

Single and Head of Household	
\$0-\$200,000	1.45%
Income exceeding \$200,000	2.35%
Married, joint	
\$0-\$250,000	1.45%
Income exceeding \$250,000	2.35%

Qualified Business Income Deduction

QBI Deduction Rate	20%*
Specified Service Trade or Business Phase Out	\$321,400-\$421,400

*Subject to W-2 wage limitation

Excess Business Loss Disallowance Threshold

Single and Head of Household	\$255,000
Married, joint	\$510,000

Filing Due Dates for 2018 Returns/Forms

Return Type	Original	Extended
Partnership	3/15	9/16
S Corporation	3/15	9/16
C Corporation	4/15	10/15
Trust	4/15	10/1
FinCEN 114	4/15	10/15
Individual	4/15	10/15
Gift Tax Return	4/15	10/15
W-2, 1099-MISC	1/31	N/A

Eric Voita, CPA, CPWA
602.466.1083
evoita@tfophoenix.com

Mason Longstreth, CPA, CFP
602.466.3526
mlongstreth@tfophoenix.com

David Bloom, CPA
602.466.3628
dbloom@tfophoenix.com

Anthony Cino, CPA
602.358.8172
acino@tfophoenix.com

Information was obtained before official IRS release and collected from a variety of public resources. We believe this information provided here is reliable, but do not warrant its accuracy or completeness. It is provided for informational purposes only, and should not be construed as legal or tax advice. Laws may change pursuant to the new administration's legislative agenda. Always consult an attorney or tax professional regarding your specific legal or tax situation.